

EXHIBIT B

Excerpt of Transcript of Hearing on July 20, 2011, page 42

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UNITED STATES BANKRUPTCY COURT

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SOUTHERN DISTRICT OF NEW YORK

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Case No. 08-13555-jmp, 08-01420-jmp (SIPA)

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In the Matter of:

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LEHMAN BROTHERS HOLDINGS, INC., et al.,

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Debtors.

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- - - - -x

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In the Matter of:

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LEHMAN BROTHERS, INC.,

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Debtors.

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U.S. Bankruptcy Court

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One Bowling Green

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New York, New York

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July 20, 2011

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10:01 AM

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B E F O R E:

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HON. JAMES M. PECK

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U.S. BANKRUPTCY JUDGE

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LEHMAN BROTHERS HOLDINGS, INC., et al.

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1 who are covered under officers and directors policies.

2 I don't need to decide the ultimate question which is
3 embedded in a motion of this sort which is whether or not these
4 proceeds are or are not property of the estate. There seems to
5 be a general recognition on the part of those parties who have
6 moved for relief as well as on the part of -- that Mr. Etkin,
7 who spoke on behalf of the lead plaintiffs, that we're probably
8 not dealing with the property of the estate. We are dealing,
9 however, with what he claimant's view as a wasting asset
10 because the policy limits in question are being used over time
11 to satisfy the needs of those who come ahead of others in the
12 queue.

13 The State of New Jersey, through its papers and in the
14 presentation just made by its counsel, tells a story of having
15 wasted time in an appellate process in the Third Circuit and
16 then being subjected to a stay in the District Court up the
17 street in which Judge Kaplan is managing multidistrict
18 litigation. That's not my problem. The fact that the State of
19 New Jersey is but one representative of what I assume to be a
20 whole host of third parties who may have claims that may
21 someday rise to the level of a claim that could be a claim
22 against proceeds of an insurance policy, is the rankest of
23 speculation in terms of having a right to these proceeds today.

24 The case authority presented in the motion and in some
25 of the supporting papers makes clear that, under applicable New